2/3/84
A2500-2

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 62 - No. 1 JANUARY, 1984

Production Soars to New High

Production of paper and paperboard established a new December high of 5.1 million tons. This brought the fourth quarter average to a seasonally adjusted annual rate of 68.0 million tons per year, 2.2% above the previous high in the third quarter and 8.6% above the average seasonally adjusted rate for the first half of 1982.

Both paper and paperboard shared in this growth: fourth quarter 1983 paper production averaged 34.3 million tons per year - 8% above the first half rate; paperboard output, at 33.8 million tons per year was 10% above its first half rate.

The December high capped what was by far the highest second half production rate in history, bringing the 1983 total paper and paperboard production to 64.83 million tons, 9% above the recession-induced 1982 low and 4% above the previous high established in 1981. Paper production, at 32.88 million tons, was 8% above the 1982 level and 6% above that of 1981; paperboard, at 31.95 million tons, showed a 10% gain over 1982 and a 2% gain over the 1981 high.

The fourth quarter 1983 production rate is so high that even if the rate of production in 1984 only remains at that level the 1984 production total would establish another new high, rising 5% above its 1983.

Paper and Paperboard by Grade: The grade detail on paper and paperboard production is shown on page 3, and on the yellow Industry Fact Sheet that accompanies this report.

These tables include actual data not adjusted for usual seasonal changes, so that the December figures are lower than November's because of the usual year-end shutdowns. The table on page 3 does show the seasonally adjusted rates of paper and paperboard production separately. These data suggest that because of strong orders the shutdowns at paperboard mills in December were much less than normal, and the seasonally adjusted rate for total paper and paperboard rose significantly.

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Continued from Page 1

Both tables show the preliminary estimates of the annual totals, by grade, for 1983, together with the percent changes from 1982. The largest gains have been in the printing-writing papers (up 11%) particularly coated papers and uncoated free sheet and in tissue paper and "other" packaging and industrial papers. Among the paperboard grades, the major gains were in unbleached kraft linerboard and recycled paperboard, with semi-chemical and solid bleached paperboard both showing good growth. Exports of paperboard also showed growth, with the major tonnage gains in the production of kraft linerboard for export.

These production increases can be traced directly to the rise in customer requirements. Demand for coated paper, for example, reflected increased demand for magazines and a strong uptrend in commercial printing. The demand for uncoated free sheet papers, as noted in earlier reports, reflected the increase in demand for office copy paper and for business form bond, particularly for computer printouts. The 6% gain in packaging paper products compared reasonably well with the trend in retail sales. The yellow Industry Data Sheet shows that the gain in the dollar value in retail sales in 1983 surpassed the gain in consumer prices by about 5%, pointing to a real gain of that magnitude. The production of tissue paper, which in past years has tended to rise a little more slowly than real GNP, showed a particularly strong relative gain, with production rising about 8% compared with a 3.3% increase for real GNP. This strength reflected increases in both industrial and consumer markets.

In the paperboard grades, containerboard production for domestic use increased nearly 10%. The Fibre Box Association reported that shipments of fibre boxes made a new high in 1983 at 253 billion square feet (see Industry Data Sheet). This was 7.5% above the 1982 level and a shade above the previous record established in 1979. The December 1983 level of box shipments was the highest December on record and the fourth quarter total the highest fourth quarter. The Fibre Box Association also reported that the rate of shipments in the fourth quarter of 1983 was 261 billion square feet per year, about 3% above the year's average.

Total boxboard production in 1983 (total domestic use plus exports) rose 9.4% over the 1982 total, reflecting a strong pattern of production in the late months of 1983 relative to the 1982 levels. Folding boxboard production rose 7.3%, and set up boxboard an unusually strong 7.7%. Although the milk carton and food service grades were up only 3.0%, cup stock, which accounted for nearly 25% of the total, gained 13%.

Continued on Page 10

PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Tons)

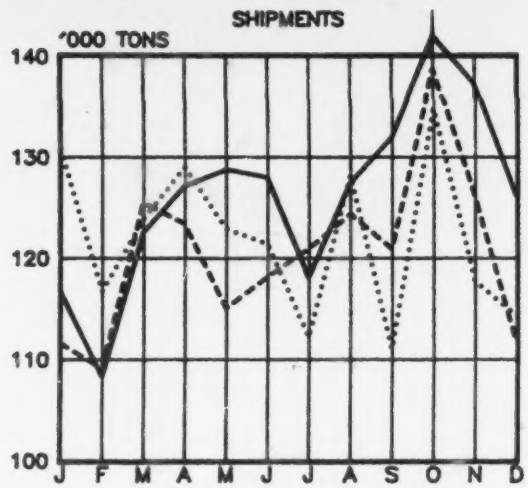
	YEAR 81	YEAR 82	SEPT 83	OCT. 83	NOV. 83 R	DEC. 83 P	Annual Rate Y-T-D 83	% Change From same Period Last Year
PAPER								
Newsprint - Production	5239	5042	415	448	456	424	5176	2.7
- Shipments	5220	4988	413	448	453	425	5139	3.0
Printing & Writing	15722	15643	1459	1566	1512	1413	17309	10.7
Groundwood Paper - Shipments	1463	1459	132	142	137	126	1515	3.9
- New Orders	1449	1468	131	151	124	120	1558	6.0
- Unfilled Orders	100	91	153	161	149	141	141	55.2
Coated Paper - Shipments	4940	5032	485	535	513	476	5723	13.7
- New Orders	4853	4998	451	517	455	437	5764	15.3
- Unfilled Orders	360	325	492	477	421	391	391	20.2
Unctd Free Sheet - Shipments	7898	7847	722	765	747	704	8680	10.6
- New Orders	7735	7820	720	729	729	654	8844	13.1
- Unfilled Orders	370	321	621	578	570	526	526	63.9
Thin Paper - Shipments	336	323	26	29	25	24	328	1.6
Cotton Fiber Paper - Shipments	125	118	11	11	11	10	123	5.0
Bleached Bristols - Production	960	865	83	84	79	73	940	8.7
Tissue Paper - Production	4518	4438	399	415	410	385	4787	7.9
Total Packaging & Other Paper *	5552	5300	492	508	486	449	5606	5.8
Unbl. Kraft Paper - Shipments	3880	3688	327	339	329	301	3792	2.8
Other Paper - Production *	1672	1612	165	169	156	148	1814	12.5
TOTAL PAPER-Production-Unadj.	31030	30422	2784	2836	2864	2671	32878	8.1
-Production-S.A.			2874	2837	2884	2848	32927	8.1
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24231	22589	2126	2219	2135	1895	24713	9.4
Unbl. Kraft Linerboard (1)	14540	13494	1324	1345	1314	1132	15007	11.2
Production for Export	1887	1931	199	157	156	168	2163	12.0
Other Unbl. Kraft Paperboard	1062	1040	96	94	72	72	1081	2.0
Semichemical Paperboard	4719	4389	395	423	420	384	4731	7.8
Production for Export	155	185	17	13	9	13	198	6.8
Solid Bleached Paperboard	3810	3665	312	357	329	307	3918	6.9
Production for Export	557	525	37	48	44	32	516	-1.6
Recycled Paperboard	7001	6476	611	678	643	568	7234	11.7
Production for Export	24	13	1	1	1	1	21	68.4
TOTAL PAPERBOARD-Prod.-Unadj.	31232	28065	2737	2887	2778	2463	31951	9.9
- Containerboard Prod.(Dom. Use)	19040	17508	1659	1773	1730	1482	19281	10.1
- Boxboard Prod.(Dom. Use) (2)	5544	5150	451	502	477	435	5498	6.7
- All Other P'bd Prod.(D.U.) (2)	4026	3753	374	403	361	333	4274	13.8
- Total Paperbd Prod. for Export	2622	2634	254	219	210	214	2898	9.2
TOTAL PAPERBOARD PROD. - S.A.			2869	2788	2784	2871	32044	10.1
TOTAL PAPER AND PAPERBOARD								
Production - actual	62262	59488	5501	5833	5643	5135	64829	9.0
Production - S.A.			5742	5625	5668	5719	64971	9.1

(1)Includes all exports of kraft paperboard.
(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* Revised series based on A.P.I. data, beginning January, 1981.

P Preliminary
R Revised
S.A. Seasonally Adjusted

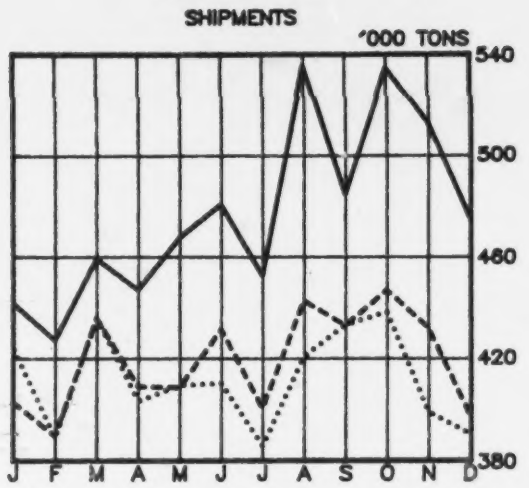
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



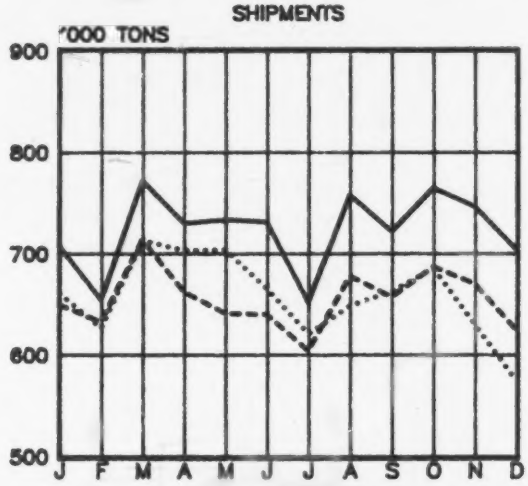
COATED PAPER

SHIPMENTS



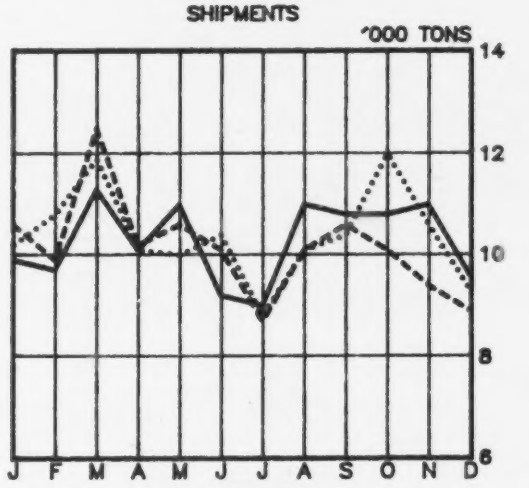
UNCOATED FREE SHEET PAPERS

SHIPMENTS



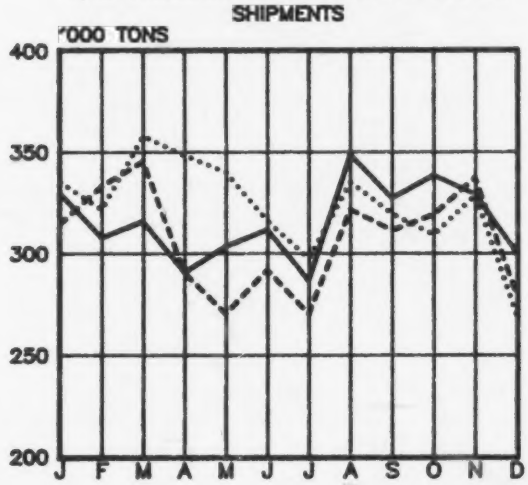
COTTON FIBER PAPER

SHIPMENTS



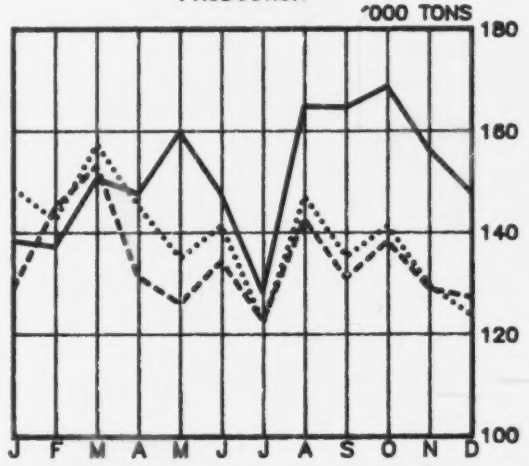
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1981 ····· 1982 - - - - - 1983 ——

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 81	YEAR 82	AUG. 83	SEPT 83	OCT. 83 R	NOV. 83 P	Annual Rate Y-T-D 83	% Change From same Period Last Year
TOTAL WOOD PULP								
Total Wood Pulp - Production	52041	48334	4483	4422	4685	4645	52856	5.8
- Imports	4087	3656	350	332	431	362	4089	10.5
- Exports	3678	3395	288	329	315	252	3556	4.8
- New Supply	52450	48595	4544	4425	4801	4755	53389	6.2
Dissolving Pulp - Production	1353	1093	99	91	113	116	1261	12.6
- Imports	249	186	10	11	16	7	187	-2.8
- Exports	784	631	60	30	77	61	626	-1.0
- New Supply	818	648	50	72	52	63	822	20.8
Paper Grades - Production	41445	38478	3624	3586	3777	3752	42661	6.7
Chemical Pulp - Imports	3655	3302	322	306	384	329	3711	11.4
- Exports	2870	2736	227	294	237	189	2889	5.6
- New Supply	42230	40044	3719	3598	3934	3891	43482	7.2
Groundwood and - Production	5320	5064	432	427	448	443	5064	-0.8
Thermo-Mech. - Imports	183	167	17	15	21	26	191	8.4
- Exports	24	27	2	4	1	2	41	76.7
- New Supply	5478	5204	447	438	469	467	5214	-0.8
Semi-Chemical - Production	3824	3700	328	318	347	334	3871	3.3
- Imports	0	0						
- Exports	0	0	------	Included	with	Groundwood	Pulp	------
- New Supply	3824	3700	328	318	347	334	3871	3.3
MARKET WOOD PULP								
Total Market - Production	6210	5732	566	510	580	585	6505	11.5
Wood Pulp - Imports	2924	2443	227	218	317	239	2893	19.5
- Exports	3352	3143	295	281	278	249	3386	9.0
- New Supply	5782	5032	498	448	628	575	6003	16.8
Dissolving Pulp - Production	1352	1080	99	91	111	117	1260	12.8
- Imports	241	194	15	13	21	13	204	3.5
- Exports	787	675	52	47	53	58	676	2.4
- New Supply	806	609	62	58	78	72	787	20.4
Paper Grades - Production	4857	4643	466	418	478	467	5233	11.0
Chemical Pulp - Imports	2634	2202	210	201	289	222	2852	21.7
- Exports	2555	2468	243	234	237	191	2720	10.8
- New Supply	4938	4376	433	385	540	498	5166	16.4
Groundwood Pulp - Production	2	1	1	1	1	1	12	3566.7
and All Other - Imports	49	48	3	4	7	4	37	-15.9
- Exports	10	0	0	0	0	0	0	-66.7
- New Supply	40	47	4	5	8	5	49	10.9

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

FIBROUS RAW MATERIALS
(Thousands of tons)

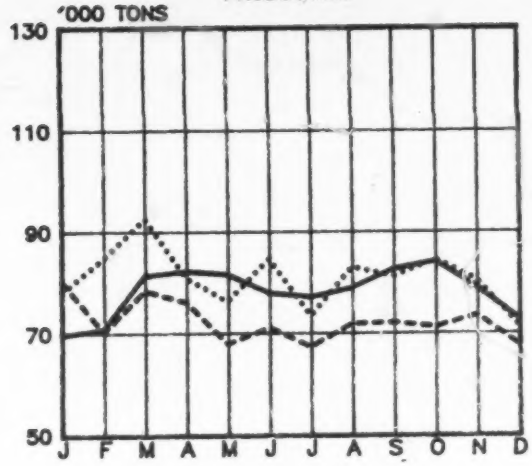
CONSUMPTION AT PAPER & PAPERBOARD MILLS								
					R	P		
Total	64573	61648	5577	5541	5947	5778	65920	6.0
Total Wood Pulp	50698	48121	4372	4353	4626	4518	51491	5.8
Waste Paper	13875	13525	1205	1188	1321	1260	14428	6.7
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	188	177	212	193	186	192	192	-1.8
Market Pulp at Pulp Mills	393	437	468	420	449	492	492	-2.2
Mkt Pulp at Ppr. & Bd. Mills *	454	492	492	534	546	571	571	23.3
Waste Paper at Paper &Bd. Mills	1211	1017	853	862	850	850	850	-9.6
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	33	37	34	31	30	34	34	-19.0

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.

* - Census data prior to 1982: P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

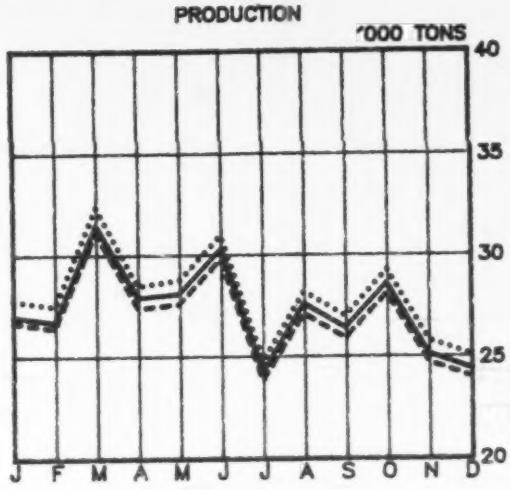
BLEACHED BRISTOLS

PRODUCTION



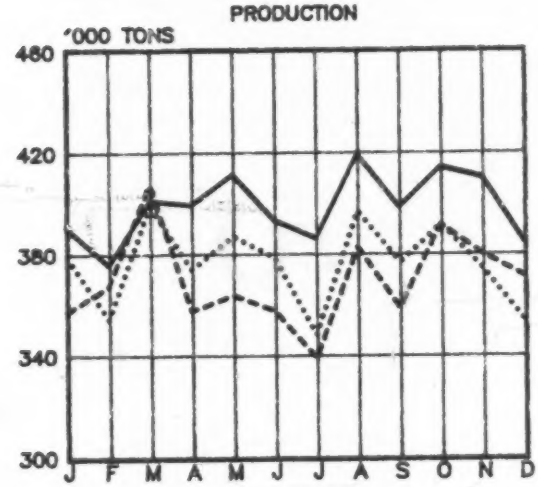
THIN PAPER

PRODUCTION



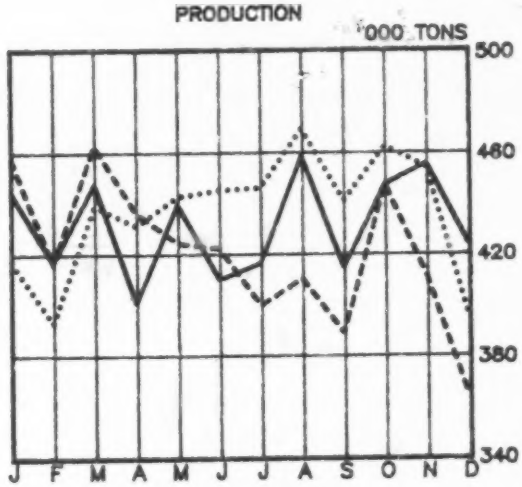
TISSUE PAPER

PRODUCTION



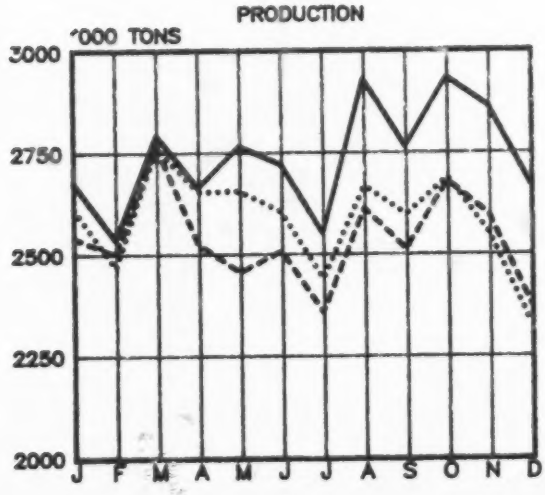
NEWSPRINT

PRODUCTION



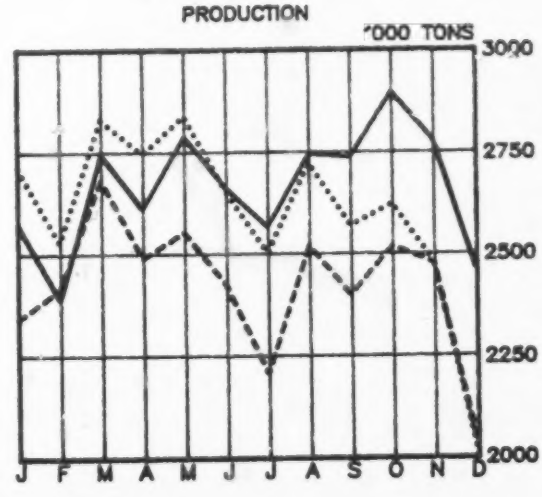
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1981 ····· 1982 - - - - - 1983 ——

FIBROUS RAW MATERIALS (Continued)

(Thousands of Standard (128 cubic Foot) Cords)

		YEAR 81	YEAR 82	AUG. 83	SEPT 83	OCT. 83	NOV. 83	Annual Rate Y-T-D 83	% Change From same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	78547	78519	7445	7286	7691	7172	84855	7.5
	- Total Consumpt.	78747	78038	7385	7203	7534	7267	85856	7.7
	- Residues *	30580	31152	2784	2846	3010	2802	32989	5.4
	- Inventories	6045	5426	5177	5051	5430	5266	5266	0.2
So. Atlantic	- Total Receipts	24681	23769	2219	2240	2289	2150	25821	8.2
	- Total Consumpt	24815	23725	2198	2250	2287	2153	25893	8.6
	- Residues *	8770	8273	686	722	724	671	7854	-3.9
	- Inventories	1051	1165	1143	1139	1180	1103	1103	1.8
Northeast	- Total Receipts	7803	7283	642	588	648	648	7017	-4.3
	- Total Consumpt	7712	7221	628	557	642	663	7281	-0.5
	- Residues *	1362	1452	96	103	115	117	1191	-17.5
	- Inventories	635	652	469	504	537	543	543	-6.7
South Central	- Total Receipts	27744	26510	2633	2621	2753	2538	29666	11.3
	- Total Consumpt	27687	27153	2527	2486	2561	2479	29313	7.1
	- Residues *	8923	8616	800	813	852	779	9352	8.4
	- Inventories	1825	1346	1308	1420	1628	1627	1627	22.7
North Central	- Total Receipts	5650	5601	523	524	565	493	6260	13.3
	- Total Consumpt	5708	5706	522	514	553	551	6381	11.8
	- Residues *	1439	1517	147	151	181	146	1829	25.2
	- Inventories	1106	925	833	851	870	823	823	-2.3
West	- Total Receipts	13669	15336	1428	1313	1425	1345	16092	3.2
	- Total Consumpt	13825	15234	1519	1396	1491	1421	16988	8.9
	- Residues *	10096	11294	1055	1057	1138	1089	12672	10.3
	- Inventories	1428	1339	1424	1137	1215	1170	1170	-17.5

* - Consumption of Residues in Cord Equivalents. SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA

IMPORTS FROM CANADA

	YEAR 82 Tons	YEAR 82 $000	OCT. 83 Tons	OCT. 83 $000	NOV. 83 Tons	NOV. 83 $000	Annual Rate Y-T-D 83	% Change From same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	87043	4711	12285	570	23330	1230	126496	43.5
Pulpwood Chips	1678793	51374	156944	3841	190828	4603	2033020	19.4
Wood Pulp, Total	3364194	1386688	354518	127825	354623	128972	3748162	9.6
Waste Fibrous Materials, Total	129749	23299	13425	2236	15108	2708	159141	21.8
Paper, Board & Products,Total	7707948	3272224	756222	317635	750061	316093	8276124	6.5
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	7665488	3201221	750987	308175	745024	306254	8223045	6.4
Paper Paperboard & Products	7327112	3182595	721140	309695	719325	308843	7831084	6.2
Paper & Paperboard, Only	7284663	3121592	715905	300235	714288	299104	7778005	6.1
Paper, Total	7171243	3093475	701719	296519	699116	295237	7620372	5.6
Newsprint	6484605	2730256	630117	257882	622144	254920	6830887	4.6
Printing,Writing & Rel.Par.	612760	310154	63859	33345	68987	35256	696082	14.1
Pack. & Ind. Conv. Paper	68300	46060	6568	4315	6873	4165	80044	18.4
Special Industrial Paper	1899	3123	249	403	177	292	2790	51.4
Tissue Paper	5680	3882	926	594	925	604	10570	86.0
Paperboard, Total	113420	28117	14187	3716	15172	3867	157633	40.0
Convtd Paper&Paperbd Products	42449	71003	5235	9460	5037	9838	53079	24.3
Wet Machine Board	1302	737	300	190	191	130	3049	150.1
Construction Paper & Board	379533	78892	34782	7750	30545	7020	441991	11.9

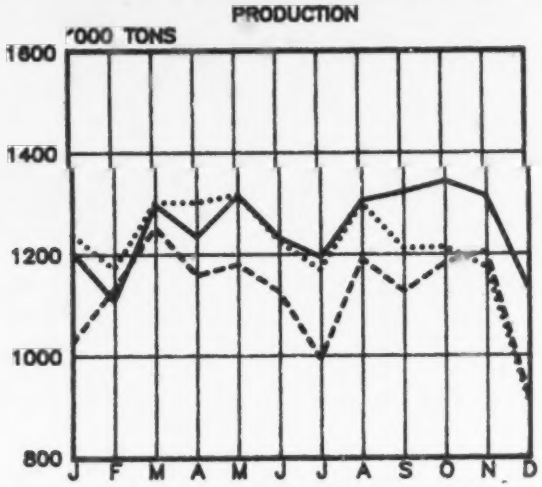
EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	107700	7263	11660	744	5528	356	69348	-38.6
Pulpwood Chips	27650	1500	6126	372	2605	122	40450	48.2
Wood Pulp, Total	118067	54691	15445	8219	10537	4661	137086	17.7
Cotton Pulp & Other Pulp	6780	4152	1380	740	743	413	9899	56.8
Waste Paper	271395	32595	30743	3727	31200	3556	346141	28.2
Paper, Board & Products,Total	583206	442437	61753	44241	57302	42835	685138	14.9
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board	383586	275107	42430	28289	37079	29033	455862	18.7
Paper, Paperboard & Products	361355	433688	39783	43384	34810	41787	633636	13.8
Paper & Paperboard, Only	361714	286359	40480	28432	34587	27985	424161	18.5
Paper, Total	188370	185357	19887	18550	18854	20710	232024	23.2
Newsprint	3037	2871	314	258	251	197	4158	37.8
Printing,Writing & Rel.Par.	113443	95899	11755	9810	10948	9422	125983	11.8
Pack. & Ind. Conv. Paper	20289	13615	2843	1904	4325	2798	34280	67.8
Special Industrial Paper	47736	70111	4397	7388	4285	8113	63856	32.7
Tissue	3864	3062	268	190	146	180	3747	-6.9
Paperboard, Total	173345	81001	20783	8882	14633	7285	182136	13.2
Convtd Paper&Paperbd Products	198640	167330	19323	14952	20223	13802	209478	5.5
Wet Machine Board	4365	2537	296	227	253	178	5118	14.9
Construction Par & Bd. E	17487	8212	1674	831	2238	880	26385	45.4

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

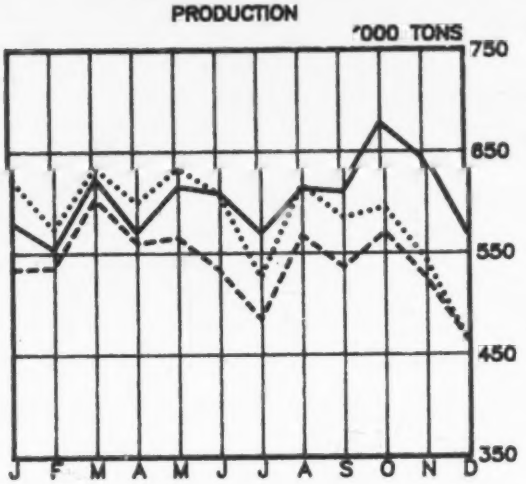
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



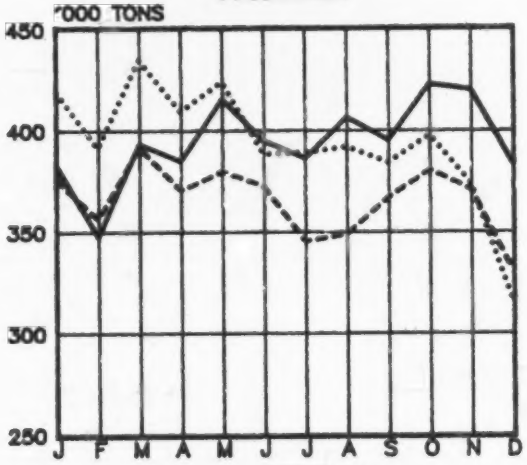
RECYCLED PAPERBOARD

PRODUCTION



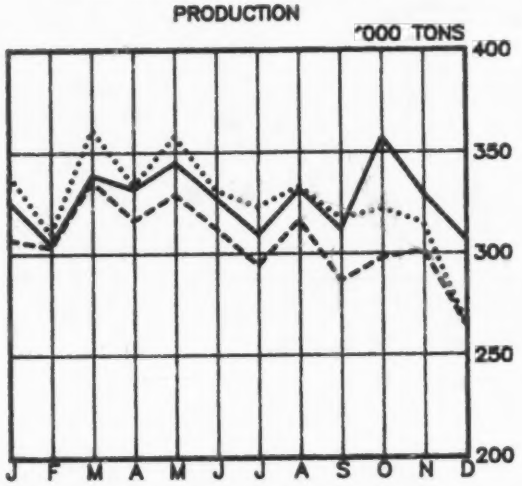
SEMICHEMICAL PAPERBOARD

PRODUCTION



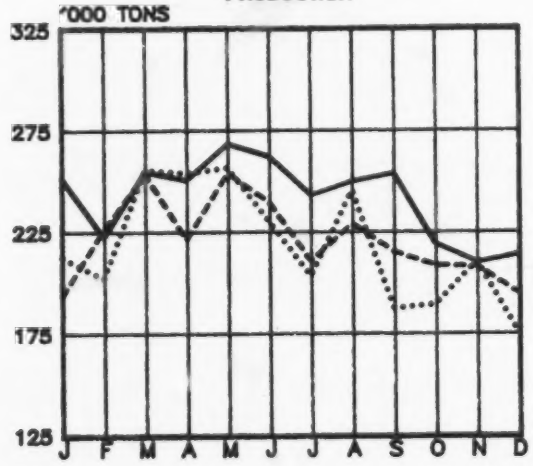
SOLID BLEACHED PAPERBOARD

PRODUCTION



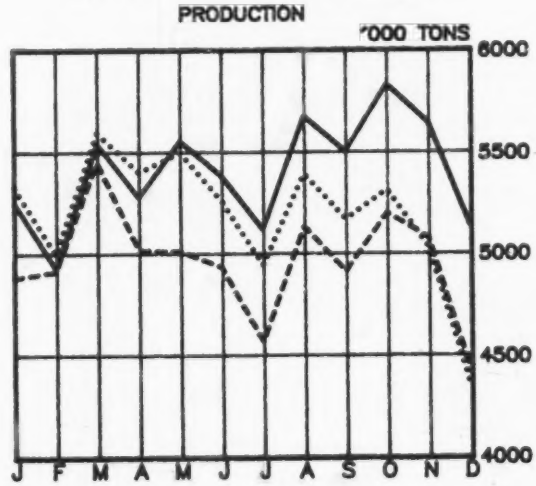
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1981 ····· 1982 - - - - - 1983 ——

PULP PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

IMPORTS

	YEAR Tons	82 $000	OCT. Tons	83 $000	NOV. Tons	83 $000	(1) Annual Rate Y-T-D 83	% Change From same Period Last Year
Pulpwood Roundwood (cords)	87043	4711	12285	570	23330	1230	126486	43.5
Pulpwood Chips	1682414	31538	156960	3844	190828	4603	2037651	19.4
Total All Imports	11824303	5208303	1280047	541816	1232474	523479	13216705	10.7
Wood Pulp Total	3655786	1493241	430584	151208	361989	131086	4089384	10.5
Waste Paper	74332	9450	8821	1028	8419	891	102009	35.3
Other Fibrous Materials	70176	24212	5668	1990	6708	2360	67765	-3.7
Paper Board & Products Total	8024009	3682401	834986	387580	854357	389042	8957547	10.7
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	7917418	3344205	815710	341111	840992	352564	8809775	10.3
Paper Pbbd & Prds ex Cnst&WMB	7802651	3594201	793901	378055	819958	380985	8463071	10.5
Paper & Paperboard Only	7496060	3258005	777644	331576	806593	344506	8315298	10.1
Paper Total	7381252	3226307	763333	327708	780988	340282	8149014	9.6
Newsprint	6530676	2748652	634175	259465	633024	258680	6901889	4.9
Printing & Writing	764085	408551	118411	58734	145250	73254	1127101	46.9
Uncoated Groundwood	514882	248196	75475	33562	87917	38263	731511	41.7
Uncoated Book	142626	80105	12502	7438	18337	11045	148932	3.8
Coated Print.& Imprss. Pap	69010	46763	19707	12167	23310	14456	154627	121.5
Bristols	391	416	88R	75	4	5	386	1.2
Writing and Similar Paper	25893	19225	8248	4531	10788	5963	72017	178.8
Thin (except Cigarette)	11203	13846	2354	1962	4854	3522	18628	74.8
Total Pkg & Other Paper	79653	63663	9618	7750	11699	7683	108512	34.3
Unbleached Kraft Paper	23078	10749	4244	1920	4390	1878	42767	83.6
Other Pkg. & Indust. Paper	56575	53114	5373	5830	7308	5704	65744	14.4
Tissue	6828	5241	1129	760	1015	685	11511	66.3
Paperboard, Total	114808	29698	14311	3867	15605	4224	166285	45.8
Test or Containerboard	35983	8459	3862	1156	3378	1078	47352	35.3
Semi-Chemical Corrugating	47295	9679	6514	1385	8307	1799	68854	47.0
Other Paperboard	31531	11560	3936	1325	3920	1347	49979	55.6
Convtd Paper&Paperbd Products	106591	338196	16256	46478	13365	36479	147772	37.9
Paper Products, Total	82059	307245	13326	39677	11346	31695	120729	30.3
Paperboard Products, Total	14532	30851	2931	6802	2019	4784	27044	86.5
Wet machine Board	1842	1239	338	218	324	215	3573	101.5
Construction Paper & Board	419515	86961	40728	9317	34076	7842	490903	12.7
Notes								
Other: No Weight Avail. ($000)		135346		15241		13529	148400	11.0
Total Imports Incl. Other($000)		5344648		557057		537008	5642981	5.6

R - Revised

EXPORTS

							(1)	
Pulpwood, Roundwood (cords)	111682	7475	11660	744	3528	356	69828	-40.3
Pulpwood Chips	2860133	231140	146914	9700	223421	13071	2584547	-10.2
Total All Exports	9872299	4315138	927343	359885	938527	361808	10810152	9.2
Wood Pulp,Total	3394648	1414558	314511	122765	251744	95347	3358367	4.8
Cotton Pulp and Other Pulp	104560	72327	9708	6771	9498	6191	101636	-3.0
Waste and Old Paper	2127050	238934	255928	32586	273788A	33782	2560755	19.4
Paper, Board & Products,Total	4246041	2589319	347196	197763	404496	226488	4591394	7.9
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	3670413	1754352	285078	132216	351511	160375	4008191	8.9
Paper, Pbbd & Prod ex Cnst&WMB	4187119	2558943	342864	195811	398598	223433	4525217	7.8
Paper & Paperboard, Only	3611491	1723977	280745	130263	345613	157520	3942014	8.8
Paper, Total	840445	678069	68991	54244	60337	50872	780912	-8.9
Newsprint	307657	142964	28151	11893	22465	10031	296249	-5.5
Printing & Writing	246617	239135	18448	18978	18748	18648	204003	-18.5
Uncoated Groundwood	55916	48430	3548	3035	3965	3316	38318	-33.7
Clay Coated Paper	81373	65485	7548	5977	7661	5804	79118	-3.1
Uncoated Free Sheet	70599	75451	5015	7019	4873	7059	58715	-17.4
Other Printing & Writing	38729	49769	2337	2948	2249	2471	26855	-30.7
Total Pkg. & Other Paper	262861	271558	21129	22175	17781	20488	264249	-1.8
Unbleached Kraft	89068	38003	12196	5750	8705	3498	118017	31.6
Other Pkg. & Indust. Paper	173793	233553	8933	16425	9076	16989	146232	-18.5
Tissue	23310	25415	1263	1198	1342	1684	18411	-31.5
Paperboard, Total	2771046	1044908	221755	76020	285277	108648	3161102	14.3
Solid Wood Pulp	2612568	970814	210921	70229	275627	100666	3008157	15.2
Total Linerboard	1888183	542304	160407	41254	208693	57480	2275884	20.4
Bleached Kraft Linerboard	67595	26626	12875	5129	22866	10040	157498	148.2
Unbleached Kraft Linerbd	1818588	515677	147532	36125	185828	47420	2118386	15.9
Other Unbleached Kraft	139219	60780	5246	3241	5287	2888	88737	-28.3
Other Bleached Kraft	525733	349615	42151	24870	56645	38990	560639	7.3
Semi-Chemical Corrugating	61422	18116	3116	864	5000	1328	72897	21.6
Recycled Paperboard	158478	74094	10834	5791	9630	5983	152945	-1.8
Convtd Paper&Paperbd Products	575628	834986	52118	85548	52985	85913	583203	1.4
Paper Products, Total	315805	591163	26990	45556	27294	44863	312151	-2.1
Paperboard Products, Total	259823	243804	25128	18992	25692	21050	271053	5.8
Wet Machine Board	11089	5939	704	385	776	362	11312	0.9
Construction Paper & Board E	47833	24437	3629	1568	5122	2693	54865	17.3
Notes								
Other: No Weight Avail. ($000)		8990		784		714	7895	-13.5
Total Exports Incl. Other($000)		4324128		360679		362523	4204924	-2.8

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description. A - Estimated

PRODUCER PRICE INDEXES
1967 = 100

	81	82	SEPT	OCT.	NOV.	DEC.	Annual Rate Y-T-D 83	% Change From same Period Last Year
Pulp, Paper and Products except Building Grades	270.8	273.2	271.7	273.0	276.3	276.8	271.0	-0.8
Pulp Paper & Products, ex. Building Grades & ex Waste Paper #	272.4	275.9	273.0	274.0	277.4	277.9	272.9	-1.1
Total Wood Pulp	397.1	379.1	348.4	348.6	352.6	351.3	346.6	-8.6
Total Paper	279.8	286.3	285.3	286.6	287.9	288.9	281.9	-1.6
Total Paper, exc. Newsprint	271.1	278.3	280.3	282.6	284.3	286.0	276.7	-0.6
Newsprint	307.5	315.8	309.6	309.6	309.6	309.6	302.8	-4.1
Total Paperboard	258.1	254.9	252.8	255.5	257.9	259.5	250.5	-1.7
Total Paper and Paperboard #	273.1	276.5	275.1	276.8	278.5	279.7	272.0	-1.6
Converted Products	258.8	264.4	265.3	266.5	267.8	268.0	265.4	0.4
Waste Paper	175.7	121.1	194.5	216.4	210.2	211.5	N.A.	N.A.
All Commodities	293.4	299.3	305.3	306.3	305.6	306.0	303.1	1.3
Industrial Commodities	304.1	312.3	317.2	318.7	318.3	318.4	315.8	1.1

SOURCE: Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor # Computed by API

N.A. - Not Available

The largest gains however, were in the miscellaneous recycled paperboard grades, with tube can and drum stock up 17%, and gypsum wallboard facings up 26%.

Imports and Exports

The table on page 9 shows detailed data on imports and exports of pulp, paper and paperboard as reported by the Bureau of the Census, Department of Commerce. The data are available through November, 1983. The table also shows the annual rate for the first 11 months of 1983.

Imports of all products (wood pulp, waste paper, other fibrous materials, paper, paperboard and converted products) were about 11% ahead of the 1982 level, while exports showed an 9% gain. Imports of wood pulp were also strong, up 10.5% for the first 11 months of the year. Wood pulp import data are shown in more detail on the table on page 5. This table shows that imports of chemical paper grade wood were up 11.4% for this same period, while imports of dissolving pulp were down 2.8%. The chemical paper grade pulps accounted for about 95% of the total imports of paper grade pulp.

Among the paper and paperboard grades, newsprint imports were, of course, the major component. At 6.9 million tons per year, newsprint imports were roughly 5% ahead of their 1982 level; domestic newsprint production showed a gain of about 3% for 1983 as a whole. At the same time, newsprint exports wore off a bit from the year-earlier level, but were still near the 300,000 ton per year rate.

Continued on Page 11

Continued from Page 10

The table on page 9 also shows the value of imports in the January-November period at $5.6 billion per year, about 5.6% over the 1982 level. Exports, at $4.2 billion per year, were down slightly from the $4.3 billion exported in 1982.

Total new supply of paper, paperboard and products in 1983, as shown on the Industry Data Sheet, is estimated at 68.8 million tons, 9.4% ahead of the 1982 total and 4.8% ahead of the previous high established in 1981. Compared to real GNP, the preliminary estimate of new supply in 1983 was equivalent to 44,840 tons per billion dollars of real GNP, higher than the 42,350 tons in 1982 and 43,360 tons in 1981. The estimated 1983 level is equal to the higher relationship between paper and paperboard and real GNP that prevailed in the 1976-1979 period.

The increase in the ratio of new supply to real GNP in 1983 over the 1981-1982 level raises the possibility that some tonnage was diverted to inventory. Data on inventories at pulp, paper and converting paper and paperboard mills do not show any significant inventory accumulation, although inventories held by printers did rise during the year. The increases in the ratio of new supply to real GNP can also be attributed to the fact that some industries where paper and board usage is particularly large rose faster than real GNP. Housing and autos are examples.

Analysis of the new supply/real GNP ratios of the individual grades shows that the new supply of the major printing paper grades - coated paper, uncoated groundwood and uncoated free sheet - rose much faster than real GNP in 1983, with the ratios moving to new highs. The coated paper ratios were particularly strong following a pattern of consecutive yearly gains in the previous three years. The ratio of new supply to real GNP for newsprint moved above its 1982 level, but remained below its 1980-1981 level. While the ratio for tissue paper was also higher than 1982 in 1983, here it was only back to its 1979 level. A similar pattern was shown for unbleached kraft linerboard, where the ratio of new supply to real GNP was significantly above its 1982 level, but only slightly above the levels reached in 1979 and 1981.

Overall, there is some evidence of a modest inventory accumulation in some of the grades, but even in those grades the fast pace of paper and board usage indicates no excesses at present.

Continued on Page 12

Continued from Page 11

Fibrous Materials

The table on page 5 shows that the production of wood pulp in the first 11 months of 1983 was about 6% over its corresponding 1982 total. The total production of paper grade chemical market pulp for 1983 as a whole amounted to 5.2 million tons, 11.4% ahead of 1982, and a record-high for this grade. The chemical paper grade market pulps account for all but a negligible part of the total paper grade market pulp produced in the U.S. Shipments were a little ahead of production, so that inventories at the end of the year were somewhat lower than at the beginning.

Shipments of chemical paper grade market pulp to the domestic market in 1983 accounted for 48% of the total, leaving 52% for exports. Relative to 1982, shipments of chemical paper grade market pulp from U.S. producers to the U.S. market increased 17%. Exports to Western Europe, which accounted for over half the total, were 7% ahead of the 1982 level, while exports to Japan, which accounted for 17% of the total, rose by 29%. Total exports from U.S. mills to all markets were up 10%.

Capital Expenditures

The Department of Commerce recently released its estimates of capital expenditures by major industry for 1984. The Commerce data pointed to total expenditures for new plant and equipment in 1984 at $333 billion, 9.9% ahead of 1983 and 5.3% ahead of the capital expenditures in 1982. More importantly, the Commerce figures indicated that in terms of constant (1972) dollars, the increase from 1983 to 1984 would be 9.4%, suggesting a small increase in the average price of new plant and equipment.

For the paper industry, the Department of Commerce figures indicate capital expenditures in 1984 at $6.92 billion, 11.7% ahead of the 1983 level and 16% ahead of the 1982 total. The projected 1984 expenditure would exceed the previous high of $6.8 billion in 1980. Commerce also reported that capital expenditures for all non-durable goods producers in 1984 would be 10.7% ahead of 1983 in current dollars and 10.0% ahead in constant dollars. From this it would appear that the expectation of the Department of Commerce of only modest price increases in new plant and equipment extends to the pulp and paper industry. This premise needs to be carefully evaluated.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

JAN. 20, 1984

PRODUCTION (000 TONS)

	Dec. 83	Nov. 83	Dec. 82	Jan - Dec. 83	Jan - Dec. 82	% Change 83/82
PAPER GRADES	P	R				
Newsprint	424	456	364	5176	5042	2.7
Printing & Writing	1413	1512	1234	17309	15643	10.7
Uncoated Groundwood (s)	126	137	114	1515	1459	3.9
Coated Paper (s)	476	513	398	5723	5032	13.7
Uncoated Free Sheet Paper (s)	704	747	622	8680	7847	10.6
Thin Paper (s)	24	25	24	328	323	1.6
Cotton Fiber Paper (s)	10	11	9	123	118	5.0
Bleached Bristols (s)	73	79	68	940	865	8.7
Tissue Paper	385	410	372	4787	4438	7.9
Total Pkg & Other Paper	449	486	407	5606	5300	5.8
Unbleached Kraft Packaging & Indl. Converting (s)	301	329	280	3792	3688	2.8
Other Paper *	148	156	127	1814	1612	12.5
TOTAL PAPER	2671	2864	2376	32878	30422	8.1
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1205	1386	983	16068	14535	10.6
Unbleached Kraft Linerboard	1132	1314	919	15007	13494	11.2
Other Unbl. Kraft Paperboard	72	72	64	1061	1040	2.0
Semichemical Paperboard	384	420	331	4731	4389	7.8
Bleached Paperboard	307	329	264	3918	3665	6.9
Recycled Paperboard	568	643	463	7234	6476	11.7
TOTAL PAPERBOARD	2463	2778	2041	31951	29065	9.9
TOTAL PAPER AND PAPERBOARD	5135	5643	4417	64829	59488	9.0

WOOD PULP (ALL GRADES)	Nov. 83	Oct. 83	Nov. 82	Jan - Nov. 83	Jan - Nov. 82	% Change 83/82
Dissolving & Special Alpha	116	113	99	1156	1027	12.6
Bleached Sulfite	106	118	98	1196	1156	3.5
Unbleached Sulfite	26	27	30	285	318	-10.3
Bleached & Semi-Bl. Sulfate	1851	1885	1700	19463	18271	6.5
Unbleached Sulfate	1769	1747	1564	18162	16903	7.4
Semichemical	334	347	290	3549	3435	3.3
Groundwood and Thermomechanical	443	449	407	4642	4678	-0.8
TOTAL PULP DIVISION DATA	4645	4685	4187	48452	45789	5.8

(s) - Shipments R - Revised E - Estimate
P - Preliminary * - Revised series based on A.P.I. data.

January 28, 1983

	Full Year		INDUSTRY DATA - 1983			1983 Ann. Rate Year - To - Date	% From Same Pd. Last Yr.
			R	R	P		
PAPER AND PAPERBOARD — Tons (000)	1981	1982	October	November	December		
Total Production (API).....| excluding |...	62262	59488	5833	5643	5135	64829	9.0
Total Seasonally Adjusted....|construction|...			5825	5668	5719	64871	9.1
Imports (including Products).| and wet |..E	7941	7803	794	820	N.A.	8523	12.1
Exports (including Products).| machine |..E	4561	4187	343	398	N.A.	4528	8.1
Apparent Consumption.....| grades |...	65642a	62904b	6076	6089	6104	68824c	+9.3
Paper Production % Tonnage Capacity.....	92.1a	87.8a	95.7	96.1	86.7	93.4ah	-
Paperboard Production % Tonnage Capacity.....	90.6a	82.1a	94.6	93.1	79.8	89.7a	-
			September	October	November		
IMPORTS.....|Including Construction and |.....	8339	8024	741	835	854	8857	10.7
EXPORTS.....| WMB Grades (excl. HPB) |.....	4641	4246	387	347	404	4591	7.9
MARKET WOOD PULP PRODUCTION - Tons (000).....	6210	5732	510	580	585	6505	11.5
TOTAL WOOD PULP PRODUCTION - Tons (000)..(F)....	52041	49334	4422	4685	4645	52856	5.8
WOOD PULP IMPORTS - TONS (000).....	4087	3656	332	431	362	4089	10.5
WOOD PULP EXPORTS - TONS (000).....	3678	3395	329	315	252	3556	4.8
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS | excluding |			September	October	November		
Wood Pulp.....|consumption for|.....	50698	48121	4353	4626	4518	51491	5.8
Waste Paper.....|construction & |.....	13875	13525	1188	1321	1260	14428	6.7
TOTAL.....| WMB grades |.....	64573	61646	5541	5947	5778	65920	6.0
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	79747	79039	7203	7534	7267	85856	7.7
EMPLOYMENT (000)			October	November	December		
Paper and Allied Products.....Total.....	688.5	662.0	666.8	667.6	667.6	658.5	-0.5
Pulp, Paper and Board Mills.....Total.....E	287.3	257.8	255.2	255.5	255.5	253.6	-1.6
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ($)							
Paper and Allied Products.....	8.60	9.32	10.10	10.19	10.17	9.92	6.4
Pulp, Paper Mills.....E	10.05	10.88	12.03	12.15	12.14	11.71	7.7
Paperboard Mills.....E	10.23	11.13	12.34	12.49	12.48	12.10	8.7
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1983 Q2	1983 Q3	1983 Q4		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)e	6.72	5.97	6.30	6.18	6.30	6.20y	3.9
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			October	November	December		
|IN PULP, PAPER |...Production Workers.....	108.2	108.9	124.2	123.8	125.6	121.5	10.6
|AND BOARD MILLS|...All Employees.....	107.5	108.3	123.0	122.9	125.2	120.0	10.8
PAPER AND ALLIED PRODUCTS (Million $)			September	October	November		
Industry Shipments (Dept. of Commerce)e.....	80251	78992	7324	7453	7515	84914	7.4
Pulp, Paper and Paperboarde.....	35116	33523	3168	3110	3205	36027	7.1
Inventories (End of Period) - Total Industrye.	8641	8607	8490	8675	8764	8764	0.8
Pulp, Paper and Paperboarde.....	3224	3365	3217	3271	3306	3306	-2.5
			1983 Q1	1983 Q2	1983 Q3		
Sales (Corporations Only, FTC).....	62698	60293	15324	16300	16797	65085	7.6
Earnings (Corporations Only, FTC).....	3110	1460	441	543	678	2216	31.7
Depreciation (Corporations Only, FTC).....	2267	2379	641	681	688	2653	11.5
Net Worth (Corporations Only, FTC).....	28358	28705	26995	26856	27381	27381	2.2
PRICE INDEXES (Bureau of Labor Stats)1967=100			October	November	December		
Pulp, Paper & Products, ex. Building Grades...	270.8	273.2	273.0	276.3	276.8	271.0	-0.8
Wood Pulp.....	397.1	379.1	348.6	352.6	351.3	346.6	-8.6
Waste Paper.....	173.7	121.1	216.4	210.2	211.5	Not Available	
Paper.....	279.8	286.3	288.6	287.9	288.9	281.9	-1.6
Paperboard.....	258.1	254.8	255.5	257.9	258.5	250.5	-1.7
PAPER DEMAND (INDEXED: 1967=100)			October	November	December		
Total Paper Production e.....	148.3	145.4	162.5	165.3	163.2	157.2	8.1
Paper New Supply e.....	137.7	135.1	153.0	158.6	154.0	147.4	9.1
Total End - Use Index e.....	150.3	149.5	168.0	166.6	166.9	158.0	5.7
Production of Nondurable Goods e...(19%)..	164.7	156.1	175.8	176.3	176.3	168.3	7.9
Disposable Income (Constant $) e...(23%)..	134.3	137.8	168.3	167.4	168.6	163.4	3.5
Total Printing and Publishing e...(58%)..	144.0	144.0	162.7	163.1	163.2	152.5	5.9
Trend Factor				Not Available			
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production e.....	137.1	127.6	146.6	146.4	151.0	140.4	10.1
Production for Domestic Use	132.9	122.7	143.2	143.5	148.1	135.4	10.2
Total End - Use Index e.....	148.3	139.5	155.4	156.3	157.1	149.0	6.8
Production of Consumer Goods e...(60.49%)	147.8	142.7	157.1	157.8	158.7	152.0	6.5
Production of Equipment e...(6.62%)	151.8	138.8	147.1	149.3	150.8	140.7	0.8
Production of Materials e...(32.88%)	151.5	133.7	153.9	154.8	155.3	145.3	8.7
Trend Factor				Not Available			
NEWSPRINT MARKETS			September	October	November		
Consumption by Publishers - Tons (000).....	11205	11150	974	1099	1084	11801	4.8
Newspaper Pub. and Printing Empl. Total(000)..	419.8	417.5	424.5	427.3	428.5	420.8	0.8
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	123182	120751	12508	14023	14737	132281	8.4
WHOLESALERS SALES AND INVENTORIES (Million $)(J)							
Total Paper & Pap. Prdcts..ex Wallpaper..Sales	23603	22776	2288	2234	2217	24586	8.1
Inventories (End of Period)	1971	1885	2211	2217	2306	2306	16.3
FIBRE BOX DATA (Fibre Box Association)			October	November	December		
Fibre Box Shipments (Million square Feet).....	246132	235185	23559	21023	19874	252876	7.5
Container'bd Inventory at Mill & Plant(000Tons)	2729	2584	2302	2415	2442	2442	-5.5
RETAIL TRADE (Million $)							
Total Retail Sales e.....	1047118	1074467	100841	101981	102059	1171193	9.0
Nondurable Goods Stores Sales e.....	731201	753568	67749	67870	67405	783367	5.3
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)e.	150.9	138.6	155.0	156.1	156.9	147.7	6.5
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100).	293.4	299.3	306.3	305.6	306.0	303.1	1.3
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)..	272.4	289.1	302.8	303.1	303.5	298.4	3.2
			September	October	November		
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion $).	331.7	344.8	367.6	371.6	376.4	376.4	11.2
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions).			1983 Q2	1983 Q3	1983 Q4		
G.N.P. or Expenditure - Current $.....	2954.1	3073.0	3272.0	3362.2	3432.0	3309.4	7.7
G.N.P. or Expenditure - 1972 $.....	1513.8	1485.4	1525.1	1533.4	1570.5	1534.8	3.3

lb/capita
Pap&Papbd Othr Totl Popul(mil)
.a - 572 + 21 = 593 229.8
.b - 543 + 15 = 558 232.0
.c - 589 + 18 = 607 233.6
.E - Last month estimated by API
.e - estimated by API

a - Adjusted for holiday shutdowns
b - Adjusted to conform with API Division data
J - Census unpublished data; standard dev. = 6-8%
N.A. - Not Available
P - Preliminary
Q - Quarter
R - Revised
RS - Revised Series
y - Full year estim. by U.S. Dept. of Com.
e - Seasonally Adjusted